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BROUSSARD FIRE DEPARTMENT

Broussard, Louisiana

FINANCIAL REPORT

June 30, 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1-28-04

EUGENE E. CHIARULLI, JR.

Certified Public Accountant

Lafayette, Louisiana

EUGENE E. CHIARULLI, JR.

CERTIFIED PUBLIC ACCOUNTANT

401 AUDUBON BLVD., SUITE 103B
LAFAYETTE, LA 70503

(337) 233-2802

December 2, 2003

To the Board of Directors
Broussard Fire Department
Broussard, Louisiana

I have compiled the accompanying balance sheet of the Broussard Fire Department as of June 30, 2002, and June 30, 2003, and the related statements of revenue, expenditure and changes in fund balances - budget for the years then ended, in accordance with Standards of Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and accordingly, do not express an opinion or any other form of assurance on them.

Respectfully,

A handwritten signature in black ink, appearing to read 'Eugene E. Chiarulli, Jr.', with a long, sweeping horizontal stroke and a vertical line extending downwards from the right side.

Eugene E. Chiarulli, Jr.
Certified Public Accountant

TABLE OF CONTENTS

	Page
Accountant's Compilation Report	1
GENERAL FUND FINANCIAL STATEMENTS	
Comparative Balance Sheet	2
Statement of Revenues, Expenditures and Changes in Fund Balances-Budget (GAAP Basis) and Actual	3
Notes to Financial Statements	4-7
AGREED-UPON PROCEDURES	
Independent Accountant's Report on Applying Agreed-Upon Procedures	8-11
LOUISIANA ATTESTATION QUESTIONNAIRE	
Louisiana Attestation Questionnaire	12-14
SCHEDULE OF PRIOR AND CURRENT FINDINGS	
Schedule of Prior and Current Findings	15-16

**BROUSSARD FIRE DEPARTMENT
BROUSSARD, LOUISIANA**

**GENERAL FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 2003 AND 2002**

	2003	2002
ASSETS AND OTHER DEBITS		
Cash	15,396	13,747
Interest-bearing deposits	110,974	81,516
Total assets & other debits	126,370	95,263
LIABILITIES AND FUND EQUITY		
Liabilities:		
Total liabilities	-0-	-0-
Fund Equity:		
Fund balance, unreserved and undesignated	126,370	95,263
Total liabilities and fund equity	126,370	95,263

See Notes to Financial Statements.

BROUSSARD FIRE DEPARTMENT
Broussard, Louisiana
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
BUDGET (GAAP BASIS) AND ACTUAL

For the Year Ended June 30, 2003
With Comparative Actual Amounts for Year Ended June 30, 2002

	2003			2002
	Budget	Actual	Variance- Favorable (Unfavorable)	Actual
Revenues:				
Intergovernmental				
Annual parish payment	39,350	39,350	-0-	45,124
Other				
Interest	970	1,433	463	1,822
Insurance rebate	25,088	25,088	-0-	7,983
Donations	16,219	16,474	255	22,668
Miscellaneous	109	109	-0-	2,004
Total Revenues	81,736	82,454	718	79,601
Expenditures-current:				
Public safety-				
Meals	1,852	1,452	400	1,985
Repairs and maintenance	3,900	3,851	49	3,877
Supplies	5,500	5,354	146	3,751
Uniforms	3,000	3,096	(96)	1,672
Travel and training	1,250	1,219	31	1,252
Dues	106	106	-0-	168
Miscellaneous	11,000	10,821	179	10,495
Expenditures-other:				
Equipment	25,746	448	25,298	-0-
Transfer - Town of Broussard	-0-	25,000	(25,000)	23,598
Total Expenditures	52,354	51,347	1,007	46,798
Excess (deficiency) of revenues over expenditures	29,382	31,107	1,725	32,803
Fund balance-beginning	95,263	95,263	-0-	62,460
Fund balance-ending	124,645	126,370	1,725	95,263

See Notes to Financial Statements.

BROUSSARD FIRE DEPARTMENT
BROUSSARD, LOUISIANA
NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

The accounting and reporting policies of the Broussard Fire Department conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the industry audit guide, *Audits of State and Local Governmental Units*.

The following is a summary of certain significant accounting policies:

- A. Financial Reporting Entity The Broussard Fire Department is a non-profit corporation which was created by a resolution dated January 25, 1979, approving an agreement to merge the Broussard Volunteer Fire Department with the Broussard Fire Department. The purpose of the Broussard Fire Department (the surviving corporation) is to impede, prevent, eradicate and extinguish all types of destructive fires within or near the Town of Broussard, Louisiana.

The financial reporting entity consists of (a) the primary government (fire department), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board Statement No. 14 established criteria for determining which component units should be considered part of the Broussard Fire Department for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. *Appointing a voting majority of an organization's governing body, and*
 - a. The ability of the fire department to impose its will on the organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the fire department
2. Organizations for which the fire department does not appoint a voting majority but are fiscally dependent on it.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

A. Financial Reporting Entity (Continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature and significance of the relationship.

The following circumstances were considered in determining that the Broussard Fire Department is not a component unit of the Lafayette Parish Consolidated Government or the Town of Broussard, Louisiana.

- a. A majority of the fire department's board is not appointed by the parish government or the town.
- b. The fire department's budget is not approved by the parish government or the town.
- c. Neither the parish government nor the town are responsible for liabilities of the fire department.
- d. The nature and significance of the fire department's relationship with the parish government and the town is not such that exclusion of the fire department's financial statements would render the financial statements of the parish or the town incomplete or misleading.

Therefore, the Broussard Fire Department was determined to be a separate special purpose government. Also, no organizations have been determined to be component units of the Broussard Fire Department.

- B. Fund Accounting The accounts of the Broussard Fire Department are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures.

The General Fund is the general operating fund of the fire department. It is used to account for all financial resources except those required to be accounted for in another fund.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

- C. Fixed Assets and Long-Term Liabilities As stipulated in the terms of the agreement to merge the Broussard Volunteer Fire Department and the Broussard Fire Department, all property acquired by the corporation is acquired for and in the name of the municipality, the Town of Broussard, Louisiana. Therefore, all assets are transferred to and included in the Town of Broussard, Louisiana General Fixed Asset Account Group and are not presented as a part of this report.

Long-term liabilities expected to be financed from the General Fund are accounted for in the General Long-Term Debt Account Group. There were no long-term liabilities at June 30, 2003 and 2002.

- D. Basis of Accounting Basis of accounting refers to when revenues and expenditures are recognized and reported in the financial statements. Basis of accounting relates to the timing of measurements made, regardless of the measurement focus applied.

The General Fund is accounted for using the modified accrual basis of accounting. Its revenues are recognized when they become measurable and available as net current assets. Intergovernmental revenues (in the form of appropriations) are recorded when the Broussard Fire Department is entitled to the funds. All other revenues are recorded when received.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except that principal and interest on general long-term debt are recognized when due. Purchases of various operating supplies are regarded as expenditures at the time purchased.

- E. Budgets and Budgetary Accounting The Broussard Fire Department follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The Fire Chief prepares a proposed budget and submits it to the Board of Directors prior to the beginning of each fiscal year.
2. A summary of the proposed budget is made available for public inspection.
3. The proposed budget is legally adopted prior to the commencement of the fiscal year to which it applies.
4. All budgetary appropriations lapse at the end of each fiscal year.
5. The budget is adopted on a basis consistent with generally accepted accounting principals (GAAP). Budgeted amounts included in the accompanying financial statements are the final amended amounts for the fiscal year.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)

- F. Vacation, Sick Leave and Pension Plan The Broussard Fire Department had no employees during the year ended June 30, 2003. Therefore, it did not have a policy on vacation and sick leave, nor did it have a pension plan.
- G. Encumbrances Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Broussard Fire Department.
- H. Comparative Data Comparative data for the prior year have been presented in the accompanying financial statements in order to provide an understanding of changes in the Broussard Fire Department's financial position and operations.
- I. Dollar Signs All numeric data in the financial statements and accompanying notes are presented in U.S. dollars. Dollar signs have been omitted.

2. Deposits with Financial Institutions

Under state law, the Broussard Fire Department may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. At June 30, 2003, the Fire Department had cash and interest-bearing deposits of \$126,370. Under state law, these deposits (or resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. Of the deposit balance (bank balance) at June 30, 2003, of \$126,370, \$26,370 was not secured in full by federal deposit insurance or pledge of securities owned by the fiscal agent bank.

3. Board Members

The board members of the Broussard Fire Department receive no compensation.

AGREED-UPON PROCEDURES

EUGENE E. CHIARULLI, JR.

CERTIFIED PUBLIC ACCOUNTANT

401 AUDUBON BLVD., SUITE 103B
LAFAYETTE, LA 70503

(337) 233-2802

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

December 2, 2003

To the Board of Directors
Broussard Fire Department
Broussard, Louisiana

I have performed the procedures enumerated below, which were agreed to by the Board of Directors of the Broussard Fire Department, Broussard, Louisiana, solely to assist you in evaluating the accompanying Statement of Revenues, Expenditures, and Changes in Fund Balances (prepared in accordance with the criteria specified therein) for the year ended June 30, 2003. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Federal, State and Local Awards

1. I agreed to determine the amount of federal, state and local award expenditures for the fiscal year, by grant and grant year.

Finding: There were no Federal, state or local grants received during the fiscal year.

2. For each Federal, state and local awards, I agreed to:
 - . Randomly select 6 disbursements from each award administered during the period under examination, provided that no more than 30 disbursements in total will be selected.
 - . Trace the six disbursements to supporting documentation as to proper amount and payee.

- . Determine if the six disbursements were properly coded to the correct fund and general ledger account.
- . Determine whether the six disbursements received approval from proper authorities.
- . For federal awards, determine whether the disbursements comply with the applicable specific program compliance requirements summarized in the Compliance Supplement (or contained in the grant agreement, if the program is not included in the Compliance Supplement) and for state and local awards, determine whether the disbursements comply with the grant agreement, relating to:
 - . Activities allowed or unallowed
 - . Eligibility
 - . Reporting

Finding: Not applicable.

3. For the program selected for testing in item (2) that have been closed out during the period under review, compare the close-out report, when required, with the Broussard Volunteer Department's financial records to determine whether the amounts agree.

Finding: Not applicable.

Meetings

4. I agreed to examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Finding: I inquired of management and management asserted that the agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Comprehensive Budget

5. For all grants exceeding five thousand dollars, I agreed to determine that each applicable, federal, state or local grantor agency/agencies was provided with a comprehensive budget of those grants that included the purpose and duration, and for state grants included specific goals and objectives and measures of performance.

Finding: There were no federal, state or local grants received during the fiscal year.

I was not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of the Broussard Fire Department, the Legislative Auditor (State of Louisiana), and the applicable state grantor agency/agencies and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Sincerely,

A handwritten signature in black ink, appearing to read 'E. Chiarulli, Jr.', with a long, sweeping horizontal stroke followed by a vertical line extending downwards.

EUGENE E. CHIARULLI, JR.
Certified Public Accountant

LOUISIANA ATTESTATION QUESTIONNAIRE

BROUSSARD VOLUNTEER FIRE DEPARTMENT

416 E. Main Street
Broussard, Louisiana 70518

July 15, 2003

Eugene E. Chiarulli, Jr.
Certified Public Accountant
401 Audubon Blvd, Suite 103B
Lafayette, LA 70503

In connection with your compilation of our financial statements as of June 30, 2003 and for the period then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of September 30, 2003.

Public Bid Law

It is true that we have complied with the public bid law LSA-RS Title 38:2212, and where applicable, the regulations of the Division of Administration, State Purchasing Office.

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.

Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meeting Law, provided in RS 42:1 through 42:12.

Yes ☒ No ☐

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60.

Yes ☒ No ☐

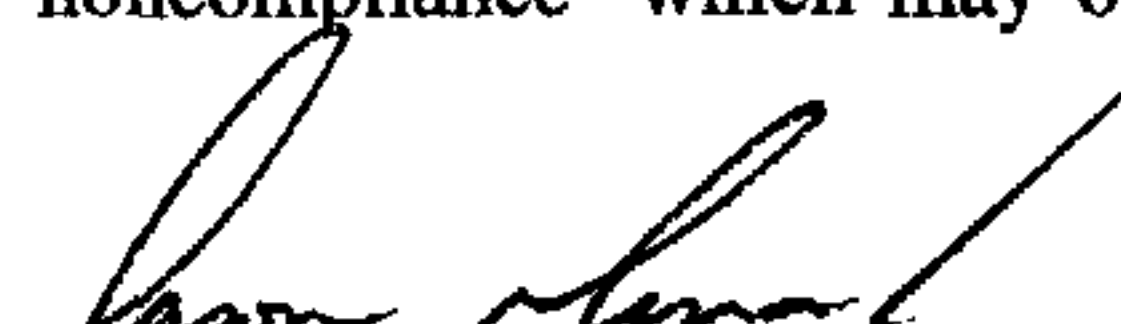
Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

<u></u>	Secretary	<u>7/23/03</u>	Date
<u>Bryan E. Champagne</u>	Treasurer	<u>7/23/03</u>	Date
<u>Zachary Howard</u>	President	<u>7/23/03</u>	Date

SCHEDULE OF PRIOR AND CURRENT FINDINGS

BROUSSARD FIRE DEPARTMENT
Broussard, Louisiana

Schedule of Prior and Current Findings for the
Year Ended June 30, 2003

I. Prior Year Findings

Compliance

There are no findings that are required to be reported under the above.

II. Current Year Findings and Management's Corrective Action Plan

Compliance

Finding: \$26,370 of the bank balance of \$126,370, was not secured by federal deposit insurance nor pledge of securities owned by the fiscal agent bank.

Management's corrective action plan: Management has instructed its fiscal agent bank to collateralize the uninsured deposit in its bank.